

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

96-45

Public Service Commission
Rural Telephone Company High Cost Support
PSC Comments/Letters

Case No. PU-439-01-460

SUPPLEMENTAL ORDER

September 26, 2001

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On May 23, 2001, the Federal Communications Commission (FCC) released its Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256 (Fourteenth R&O). In the Fourteenth R&O the FCC modified its rules for providing high-cost universal service support to rural telephone companies for the next five years based upon the proposals made by the Rural Task Force.

On July 26, 2001, the North Dakota Public Service Commission (NDPSC) issued a notice of informal hearing and request for comments regarding the parties' implementation plans and the nature and extent of the NDPSC's potential involvement in the implementation of the new FCC rules. At the time of the notice, the NDPSC had not yet assigned a case number to this matter. Subsequently, the NDPSC assigned Case No. PU-439-01-460.

On August 15, 2001, the Rural Telephone Company Group (RTCG) filed comments in response to the NDPSC's request. The RTCG is an association of independent telephone companies serving customers in North Dakota's rural areas. On August 16, 2001, Western Wireless Corporation, d/b/a Cellular One (Western Wireless) filed comments limited to discussion of certification issues. These parties also commented at the informal hearing which was held as scheduled on August 22, 2001. No other comments were received.

On August 28, 2001, the NDPSC issued an order indicating that any telecommunications carrier providing local exchange service in North Dakota that desires to have NDPSC certification to the FCC pursuant to 47 C.F.R. §§54.313 or 54.314 shall file an affidavit with the NDPSC by September 14, 2001, as described in the order, certifying that federal support they receive is used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended as required by Section 254(e). The NDPSC further ordered that affidavits filed with the NDPSC under the August 28, 2001 order will be the basis for the NDPSC's certification to the FCC.

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Following the August 28, 2001 order, affidavits regarding use of universal service support were filed with the NDPSC. On September 19, 2001, the NDPSC issued an order certifying that the companies that filed affidavits had accounted to the NDPSC regarding the companies' use of universal service support funds. The September 19th order covered the following companies:

BEK Communications Cooperative
Citizens Telecommunications Company of
Minnesota, Inc.
Citizens Telecommunications Company of
North Dakota, Inc.
Consolidated Telcom
Dakota Central Telecom I

Nemont Telephone Cooperative Inc
Noonan Farmers Telephone Company, a
Cooperative Association
North Dakota Telephone Company
Northwest Communications Cooperative
Polar Communications Mutual Aid
Corporation

Dakota Central Telecommunications
Cooperative
Dickey Rural Communications Inc.
Dickey Rural Telephone Cooperative
Griggs County Telephone Company
Halstad Telephone Company
Inter-Community Telephone Company, LLC

Polar Telecommunications, Inc.
RC Communications, Inc.
Red River Rural Telephone Association
Red River Telecom, Inc.
Reservation Telephone Cooperative
Roberts County Telephone Cooperative
Association

Inter-Community Telephone Company II,
LLC
James Valley Cooperative Telephone
Company
Mid-Rivers Telephone Cooperative Inc.
Midstate Communications Inc
Midstate Telephone Company
Moore & Liberty Telephone Company

SRT Communications, Inc.
Sully Buttes Telephone Cooperative,
Inc./Ventura Communications, Inc.
Turtle Mountain Communications
United Telephone Mutual Aid Corporation
West River Cooperative Telephone Company
West River Telecommunications Cooperative
WWC Holding Co., Inc.

It has come to our attention since we issued the September 19th order that the company name "Sully Buttes Telephone Cooperative, Inc./Ventura Communications, Inc." that was listed in the September 19th Order was erroneous. The correct name is Venture Communications, Inc. This error is corrected by the instant order, as noted in the ordering clause, below.

On September 26, 2001, four more companies filed affidavits with the NDPSC regarding use of universal service support funds. In addition to identifying the correct company name for Venture Communications, Inc., the ordering clause also identifies the four companies which filed affidavits on September 26th.

Discussion

As we stated in our September 19th order, the NDPSC addresses only the state certification issue. Section 254(e) of the Telecommunications Act of 1996 (Act) requires telecommunications carriers to use universal service support "only for the provision, maintenance, and upgrading of facilities and services for which support is intended."

The Fourteenth R&O requires that each state public utility regulatory authority file an annual certification with the FCC to ensure that rural telecommunications carriers receiving federal funds under the program use the support only as provided in Section 254(e) of the Act. State certification must be filed no later than October 1 of each year in order for certified telecommunications carriers to received support for the following year. 47 C.F.R. § 54.314(d).

Under North Dakota law, the NDPSC has limited jurisdiction over rural telecommunications carriers. The FCC in its order recognized that some states have only limited regulatory oversight to ensure that federal universal support is reflected in intrastate rates and concluded that such states may nonetheless certify to the FCC that carriers in the state had accounted to the state commission for receipt of federal support, and that the support will be used as required under Section 254(e). (See Fourteenth R&O at ¶ 188). The FCC also recognized that some carriers may not be subject to the jurisdiction of a state regulatory authority, and in those instances carriers can certify directly to the FCC by means of a sworn affidavit executed by a corporate officer attesting to the use of the support only for purposes permitted under the Act. (See Fourteenth R&O at ¶ 189).

Based on the foregoing, the NDPSC issues the following:

Order

The NDPSC orders:

1. The NDPSC certifies that the following Eligible Telecommunications Carriers providing local exchange service in North Dakota have accounted to the NDPSC by affidavit that all federal support they receive is used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended as required by Section 254(e), or that they will only use the support they receive during the four quarters of 2002 (and all quarters thereafter) for the provision, maintenance, and upgrading of facilities and services for which the Support is intended pursuant to and consistent with Section 254(e) of the Act and 47 C.F.R. § 54.101 throughout each respective company's study area:

Venture Communications, Inc.

Absaraka Co-operative Telephone Company, Inc.

HTC Services, Inc.

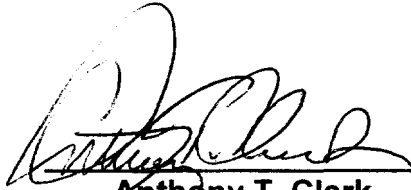
Loretel Systems, Inc.

Wolverton Telephone Company

2. The NDPSC certification is based upon the affidavits filed by the foregoing named Eligible Telecommunications Carriers.

3. A copy of each of the affidavits filed by the five companies listed in ordering paragraph 1 is attached to and made a part of this supplemental order.

PUBLIC SERVICE COMMISSION



Anthony T. Clark
Commissioner



Susan E. Wefald
President



Leo M. Reinbold
Commissioner

**BEFORE THE NORTH DAKOTA PUBLIC SERVICE COMMISSION IN CASE NO. PU-439-01-460
AND BEFORE THE FEDERAL COMMUNICATIONS COMMISSION IN DOCKET NO. 96-45**

**AFFIDAVIT OF ABSARAKA COOPERATIVE TELEPHONE CO., INC.
REGARDING CERTIFICATION OF USE OF FEDERAL UNIVERSAL SERVICE SUPPORT**

State of North Dakota)
) ss.
County of Cass)

Ann Faught, does hereby declare and state upon affiant's own personal knowledge as follows:

1. Affiant is employed by Absaraka Cooperative Telephone Co., Inc. (hereinafter, the "Company") in the position on Manager.

2. The Company is an eligible telecommunications carrier within the meaning of Section 214(e) of the Federal Telecommunications Act of 1996 (hereinafter, the "Act"), and the Company is eligible to receive federal high-cost universal service support (hereinafter, the "Support") pursuant to Section 254(e) of the Act. The North Dakota Public Service Commission (hereinafter the "PSC") has designated the Company as an eligible telecommunications carrier.

3. Affiant is personally familiar with all of the Support received by the Company, and with how the Company uses all of the Support that it receives.

4. The Company is filling this affidavit in compliance with the order of the Federal Communication Commission (hereinafter, the "FCC"), dated May 23, 2001 in Docket Number 96-45 (FCC 01-157) (hereinafter, the "Order"), as codified in 47 C.F.R. 54.314, which requires certification to the FCC that all federal Support will be used by carriers within each state only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, as required by Section 254(e) of the Act and 47 C.F.R. 54.7. The Company is also filing this affidavit in compliance with the Order of the PSC dated August 28, 2001 in Case No. PU-439-01-460. This affidavit is filed to facilitate the Company's receipt of federal Support for all four quarters of 2002, and for all quarters thereafter.

5. The Company hereby certifies that it will only use the Support that the Company receives during the four quarters of 2002 (and all quarters thereafter) for the provision, maintenance, and upgrading of facilities and services for which the Support is intended pursuant to and consistent with Section 254(e) of the Act and 47 C.F.R. 54.7. The Company will use the Support to support the following services: (a) voice grade access to the public switched network; (b) local usage; (c) dual-tone multi-frequency signaling or its functional equivalent; (d) single-party service or its functional equivalent; (e) access to emergency services; (f) access to operator services; (g) access to interexchange service; (h) access to directory assistance; and (i) toll limitation for qualifying low-income consumers.

Dated this 25th day of September, 2001.

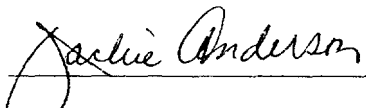
Absaraka Cooperative Telephone Co., Inc.



Ann Faught
Manager

State of North Dakota)
) ss.
County of Cass)

On this 25th day of September, 2001, before me a Notary Public in and for said County and State, personally appeared, Ann Faught, know to me to be the Manager of Absaraka Cooperative Telephone Co., Inc., the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.



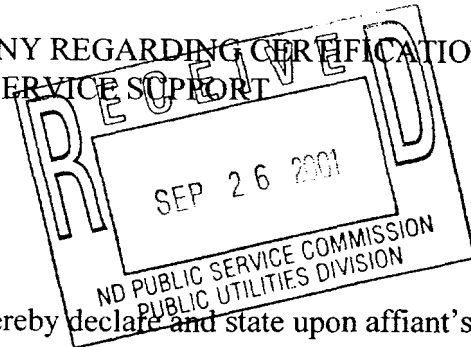
Notary Public
For the State of North Dakota
My commission expires:

JACKIE ANDERSON
Notary Public, STATE OF NORTH DAKOTA
My Commission Expires AUG. 12, 2005

BEFORE THE NORTH DAKOTA PUBLIC SERVICE COMMISSION IN CASE NO. PU-439-01-460
AND BEFORE THE FEDERAL COMMUNICATIONS COMMISSION IN DOCKET NO. 96-45

AFFIDAVIT OF WOLVERTON TELEPHONE COMPANY REGARDING CERTIFICATION
OF USE OF FEDERAL UNIVERSAL SERVICE SUPPORT

State of North Dakota)
) ss.
County of Richland)



Paul Ihland, being first duly sworn on oath, does hereby declare and state upon affiant's own personal knowledge as follows:

1. Affiant is employed by Wolverton Telephone Company (hereinafter, the "Company"), in the position of Manager.

2. The Company is an eligible telecommunications carrier within the meaning of Section 214(e) of the Federal Telecommunications Act of 1996 (hereinafter, the "Act"), and the Company is eligible to receive federal high-cost universal service support (hereinafter, the "Support") pursuant to Section 254(e) of the Act. The North Dakota Public Service Commission (hereinafter, the "NDPSC") has designated the Company as an eligible telecommunications carrier.

3. Affiant is personally familiar with all of the Support received by the Company, and with how the Company uses all of Support that it receives.

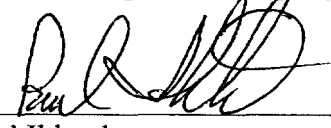
4. The Company is filing this affidavit in compliance with the order of the Federal Communication Commission (hereinafter, "FCC") dated May 23, 2001 in Docket Number 96-45 (FCC 01-157) (hereinafter, the "Order"), as codified in 47 C.F.R. § 54.314, which requires certification to the FCC that all federal Support will be used by carriers within each state only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, as required by Section 254(e) of the Act and 47 C.F.R. § 54.7. The Company is also filing this affidavit in compliance with the Order of the NDPSC dated August 28, 2001 in Case No. PU-439-01-460. This affidavit is filed to facilitate the Company's receipt of federal Support for all four quarters of 2002, and for all quarters thereafter.

5. The Company hereby certifies that it will only use the Support that the Company receives during the four quarters of 2002 (and all quarters thereafter) for the provision, maintenance, and upgrading of facilities and services for which the Support is intended pursuant to and consistent with Section 254(e) of the Act and 47 C.F.R. § 54.7. The company will use the Support to support the following services, as designated in 47 C.F.R. § 54.101, throughout the Company's study area: (a) voice grade access to the public switched network; (b) local usage; (c) dual-tone multi-frequency signaling or its functional equivalent; (d) single-party service or its functional equivalent; (e) access to emergency services; (f) access to operator services; (g) access to interexchange service; (h) access to directory assistance; and (i) toll limitation for qualifying

low-income consumers.

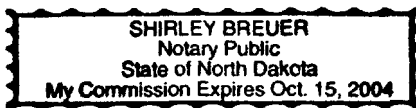
Dated this 25th day of September, 2001.

Wolverton Telephone Company

By 
Paul Ihland
Its: Manager

State of North Dakota)
) ss.
County of Richland)

On this 25th day of September, 2001, before me, a Notary Public in and for said County and State, personally appeared PAUL IHLAND, known to me to be the Manager of WOLVERTON TELEPHONE COMPANY, the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.



Shirley Breuer
_____, Notary Pubic
For the State of North Dakota
My commission expires: Oct. 15, 2004

**BEFORE THE NORTH DAKOTA PUBLIC SERVICE COMMISSION IN CASE NO.
PU-439-01-460**

**AND BEFORE THE FEDERAL COMMUNICATIONS COMMISSION IN DOCKET
NO. 96-45**

AFFIDAVIT OF HTC SERVICES, INC. REGARDING

CERTIFICATION OF USE OF FEDERAL UNIVERSAL SERVICE SUPPORT

State of Minnesota)

) ss.

County of Norman)

Ronald Laqua, being first duly sworn on oath, does hereby declare and state upon affiant's own personal knowledge as follows:

1. Affiant is employed by HTC Services, Inc. (hereinafter, the "Company"), in the position of Manager.
2. The Company is an eligible telecommunications carrier within the meaning of Section 214(e) of the Federal Telecommunications Act of 1996 (hereinafter, the "Act"), and the Company is eligible to receive federal high-cost universal service support (hereinafter, the "Support") pursuant to Section 254(e) of the Act. The North Dakota Public Service Commission (hereinafter, the "NDPSC") has designated the Company as an eligible telecommunications carrier.
3. Affiant is personally familiar with all of the Support received by the Company and with how the Company uses all of Support that it receives.
4. The Company is filing this affidavit in compliance with the order of the Federal Communication Commission (hereinafter, "FCC") dated May 23, 2001 in Docket Number 96-45 (FCC 01-157) (hereinafter, the "Order"), as codified in 47 C.F.R. *54.314, which requires certification to the FCC that all federal Support will be used by carriers within each state only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, as required by Section 254(e) of the Act and 47 C.F.R. *54.7. The Company is also filing this affidavit in compliance with the Order of the NDPSC dated August 28, 2001 in Case No. PU-439-01-460. This affidavit is filed to facilitate the Company's receipt of federal Support for all four quarters of 2002, and for all quarters thereafter.
5. The Company hereby certifies that it will only use the Support that the Company receives during the four quarters of 2002 (and all quarters thereafter) for the provision, maintenance, and upgrading of facilities and services for which the

Support is intended pursuant to and consistent with Section 254(e) of the Act and 47 C.F.R. *54.7. The Company will use the Support to support the following services, as designated in 47 C.F.R. *54.101, throughout the Company's study area: (a) voice grade access to the public switched network; (b) local usage; (c) dual-tone multi-frequency signaling or its functional equivalent; (d) single-party service or its functional equivalent; (e) access to emergency services; (f) access to operator services; (g) access to interexchange service; (h) access to directory assistance; and (i) toll limitation for qualifying low-income consumers.

Dated this 25 day of September 2001.

HTC SERVICES, INC.

By: Ronald Lynn

Its: General Manager

State of Minnesota)

) ss.

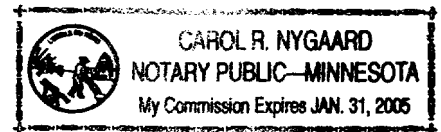
County of Norman)

On this 25th day of September, 2001, before me, a Notary Public in and for said County and State, personally appeared RONALD LAQUA, known to me to be the General Manager of HTC SERVICES, INC., the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.

Carol R. Nygaard, Notary Public

For the State of Minnesota

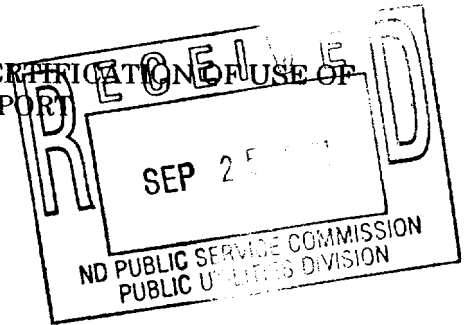
My commission expires: Jan 31, 2005



BEFORE THE NORTH DAKOTA PUBLIC SERVICE COMMISSION IN CASE NO. PU-439-01-460 AND BEFORE THE FEDERAL COMMUNICATIONS COMMISSION IN DOCKET NO. 96-45

**AFFIDAVIT OF LORETEL SYSTEMS, INC., REGARDING CERTIFICATION OF USE OF
FEDERAL UNIVERSAL SERVICE SUPPORT**

State of Minnesota)
) ss.
County of Norman)



Steven W. Katka, being first duly sworn on oath, does hereby declare and state upon affiant's own personal knowledge as follows:

1. Affiant is employed by Loretel Systems, Inc. (hereinafter, the "Company"), in the position of General Manager
2. The company is an eligible telecommunications carrier within the meaning of Section 214(e) of the Federal Telecommunications Act of 1996 (hereinafter, the "Act"), and the Company is eligible to receive federal high-cost universal service support (hereinafter, the "Support"), pursuant to Section 254(e) of the Act. The North Dakota Public Service Commission (hereinafter, the "NDPSC") has designated the Company as an eligible telecommunications carrier.
3. Affiant is personally familiar with all of the Support received by the Company, and with how the Company uses all of Support that it receives.
4. The Company is filing this affidavit in compliance with the order of the Federal Communications Commission (hereinafter, "FCC") dated May 23, 2001 in Docket Number 96-45 (FCC 01-157) (hereinafter, the "Order"), as codified in 47 C.F.R. § 54.314, which requires certification to the FCC that all federal Support will be used by carriers within each state only for the provision, maintenance, and upgrading of facilities and services for which support is intended, as required by Section 254(e) of the Act and 47 C.F.R. § 54.7. The Company is also filing this affidavit in compliance with the Order of the NDPSC dated August 28, 2001 in Case No. PU-439-01-460. This affidavit is filed to facilitate the Company's receipt of federal Support for all four quarters of 2002 and for all quarters thereafter.
5. The Company hereby certifies that it will only use the Support that the Company receives during the four quarters of 2002 (and all quarters thereafter) for the provision, maintenance, and upgrading of facilities and services for which the Support is intended pursuant to and consistent with Section 254(e) of the Act and 47 C.F.R. § 54.7. The Company will use the Support to support the following services, as designated in 47 C.F.R. § 54.101, throughout the Company's study area: (1) voice grade access to the public switched network; (b) local usage; (c) dual-tone multi-frequency

signaling or its functional equivalent; (d) single-party service or its functional equivalent; (e) access to emergency services; (f) access to operator services; (g) access to interexchange service; (h) access to directory assistance; and (i) toll limitation for qualifying low-income consumers.

Dated this 25th day of September 2001.

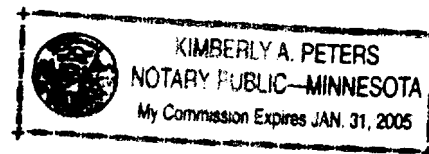
LORETEL SYSTEMS, INC.

By Steven W. Katka
Steven W. Katka
Its: General Manager

State of Minnesota)
) ss.
County of Norman)

On this 25th day of September 2001, before me, a Notary Public in and for said County and State, personally appeared Steven W. Katka, known to me to be the General Manager of Loretel Systems, Inc., the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.

Kimberly A. Peters
Notary Public
For the State of Minnesota
My commission expires: 1/31/05



STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Public Service Commission
Rural Telephone Company High Cost Support
PSC Comments/Letters**

Case No. PU-439-01-460

AFFIDAVIT OF SERVICE BY FEDERAL EXPRESS

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Sharon Helbling deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **27th day of September, 2001**, she deposited in the United States Mail, Bismarck, North Dakota, **two** envelopes by FEDERAL EXPRESS, fully prepaid, securely sealed and each containing a photocopy of:

Supplemental Order

The envelopes were addressed as follows:

Magalie R Salas
Federal Communications Commission
Office of the Secretary
445 12th St SW
Washington D C 20554

Irene Flannery
Universal Service Administrative Company
2120 L St NW Ste 600
Washington D C 20037

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **27th day of September, 2001**.

Notary Public

SEAL